



DMAS UPDATE

***SENATE FINANCE AND
APPROPRIATIONS COMMITTEE
HHR SUBCOMMITTEE
January 12, 2021***

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- ❑ Enrollment and Expansion Updates
- ❑ CARES Act and COVID-19
- ❑ Medicaid Forecast
- ❑ Governor's Introduced Budget

Who Does Medicaid Serve?



Children

751,000



Pregnant Women and Parents

134,000



Older Adults

80,000



Individuals with Disabilities

151,000

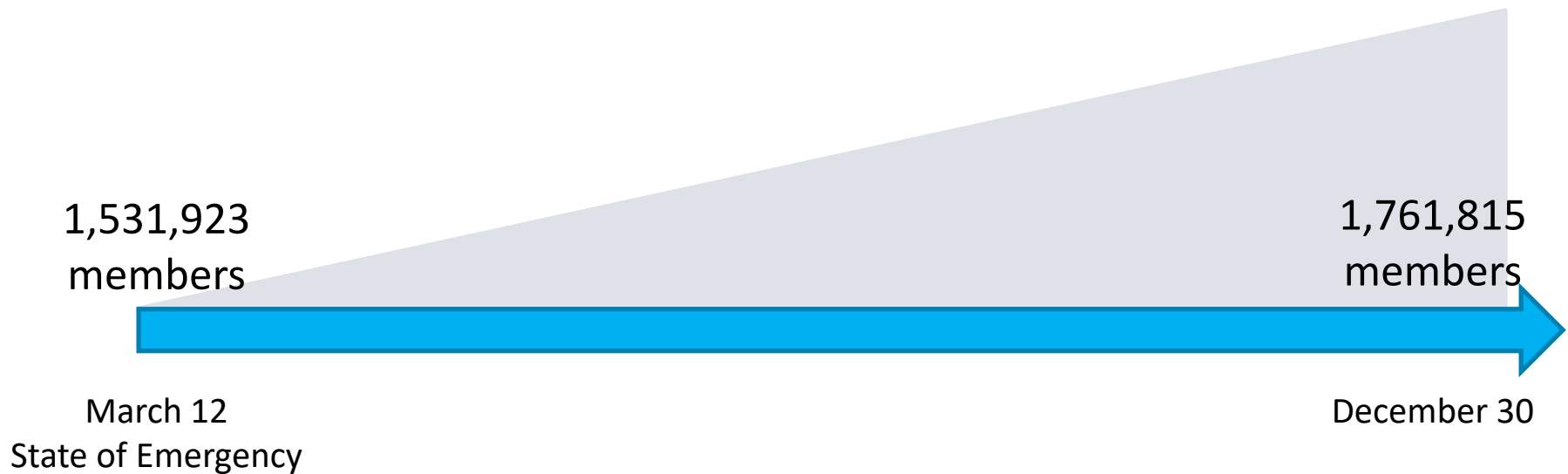


Expansion Adults

511,000

Medicaid plays a critical role in the lives of nearly 1.76 million Virginians

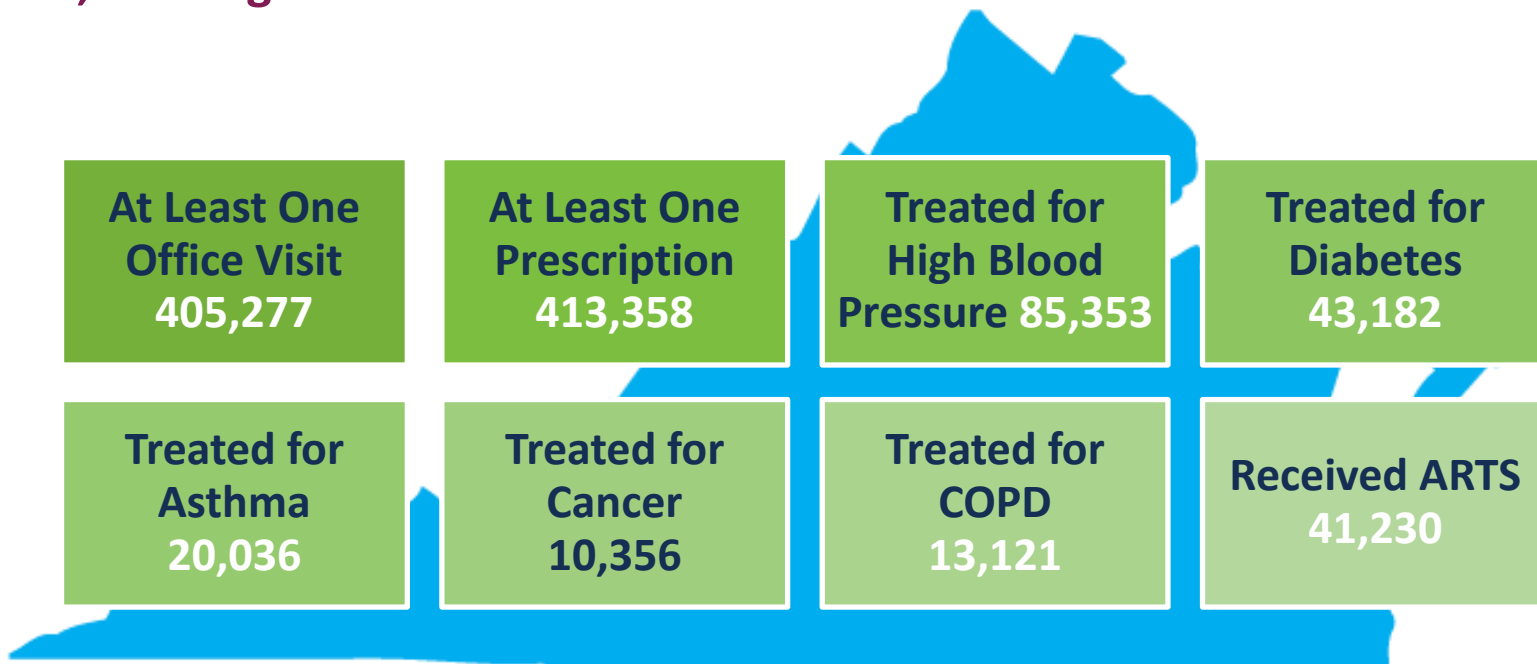
Medicaid Enrollment



- Since the State of Emergency was declared, Medicaid has gained **228,888 new members**
 - 118,912 are in Medicaid Expansion
 - 70,596 are children
- On average, Medicaid gains **4,900 new members each week**

Medicaid Expansion Update

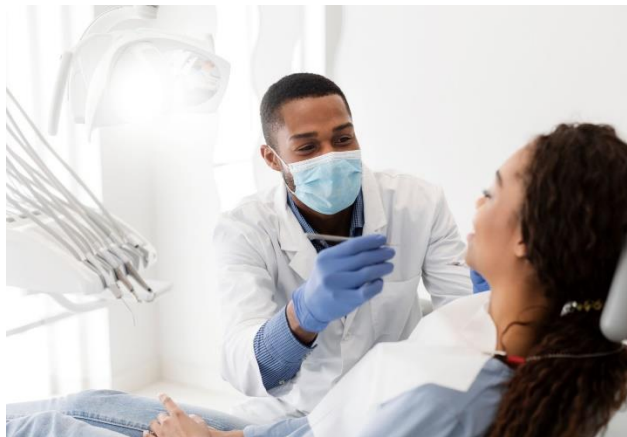
- During the COVID-19 public health emergency, DMAS has implemented a number of policy and procedural changes to **improve coverage**, enable **new flexibilities to expedite enrollment**, ensure members **maintain health care coverage**, and to provide an even greater level of support.
- Medicaid expansion is providing health and economic security to **more than 510,000 Virginians**.



Adult Dental Benefit

Covers 750,000 adult Medicaid recipients on July 1, 2021

- ✓ Closing health disparities
- ✓ Supporting Medicaid Expansion
- ✓ DentaQuest contract extended



Virginia Medicaid's Response to COVID-19

New Initiatives for Members and Providers

For Our Members:

- Implemented measures to maintain coverage for our members throughout the public health emergency
- Leveraged and improved telehealth- maintaining access to critical services, such as behavioral health
- Provided 90-day prescriptions
- Removed co-pays to ensure members accessed critical services such as COVID-19 tests

For Our Providers:

- Provided a 29% rate increase through directed payments to primary care providers
- Provided increased resources to nursing facilities to support COVID-19 response
- CARES Act funds used to stabilize at-risk providers, including hospitals, LTC providers, residential providers and DD waiver providers
- Opened reimbursement for new COVID-19 tests, treatment, and vaccinations

Nearly all policy modifications have been completed without any additional state funds

CARES Act Funding

#	Project	Providers	Total Funding	Support
1	Personal Protective Equipment (PPE)	Personal/respite care attendants	\$9M	Masks, gloves and hand sanitizer made available to attendants and members they serve
2	Hazard Pay for Personal Care Attendants (PCA)	Personal Care Attendants	\$73M	\$1500 (pre-tax), one-time hazard pay for the PCAs who put themselves at risk to care for high-risk populations during the height of the pandemic
3	Hospitals	Hospitals	\$60M	For COVID-19 related auditable costs that have not been reimbursed through other federal relief programs available for this purpose in calendar year 2020.
4	Long-term Care Facilities	Nursing Facilities, Assisted Living Facilities	\$55M	Long-term Care Facilities support populations especially at-risk for COVID-19 exposure and have experienced increased expenses related to testing, staff overtime, PPE, etc., while also seeing enrollment and revenues decline. This program is designed to support COVID expenses not covered by other sources.
5	COVID-19 Developmental Disabilities Waiver (DDW) Day Support Payment	Group Day Support, Community Engagement, Community Coaching	\$25M	To stabilize operations for day support providers during the COVID-19 crisis by providing additional opportunities to receive revenue so that providers are able to resume full operations when it is safe to do so. Day support providers have been limited in operations due to compliance with CDC guidelines and safety concerns associated with delivering group services during the public health emergency.
6	COVID-19 DDW Residential Support Payment	Group Residential, Sponsored Residential, Supported Living Residential	\$15M	To support the increased costs of actively providing services during the COVID-19 crisis by providing additional support payments due to compliance with CDC guidelines and safety concerns associated with delivering residential services during the public health emergency.

Summary of Medicaid Forecast

Compared to 2020 Special Session I Amendments to the 2020 Appropriation Act

	FY21 Surplus/ (Need)	FY22 Surplus/ (Need)	FY23 Surplus/ (Need)
General Funds	\$244.1 ¹	(\$22.3)	(\$343.7)
Virginia Healthcare Fund	\$53.9	\$5.2	--

Dollars in Millions

¹Includes: The 2020 Forecast includes eFMAP savings net of MOE costs of \$435 million. After eFMAP unallotment, net surplus is \$40.3M.

Q4 FY21 EFMAP Impact

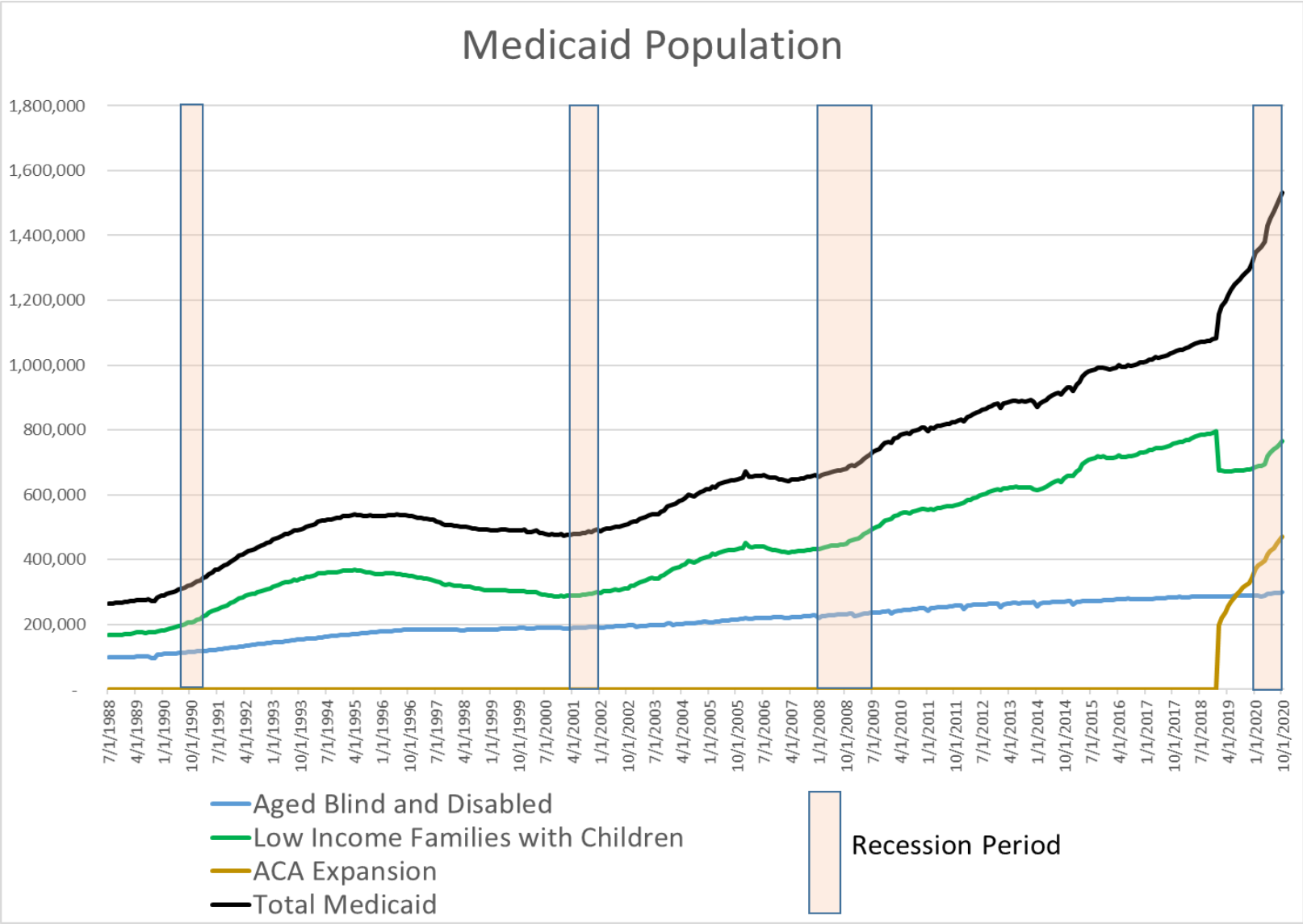
	FY21 Surplus/ (Need)	FY22 Surplus/ (Need)	Total Biennium
Enhanced FMAP	\$128.5	\$0 ²	\$128.5
MOE Cost	(\$14.9)	(\$23.7)	(\$38.2)
Total	\$113.6	(\$23.7)	\$90.3

Dollars in millions

²January 7, 2021: HHS Secretary approved extension of federal Public Health Emergency through April 21, 2021.

The 6.2% EFMAP will continue through June 30, 2021. DMAS is evaluating impact on FY22 capitation payments to preserve Commonwealth resources.

Key Forecast Driver: Population Growth



Governor's 2021 Budget Overview

Better Access to Coverage and Services



Administrative and Technical Changes



Governor's Introduced Budget

Better Access to Coverage and Services



	FY2021		FY2022	
	GF	NGF	GF	NGF
Implement the Virginia Facilitated Enrollment Program (Item 317 HH)	\$0	\$0	\$1,166,180	\$6,959,211
Allow FAMIS MOMS to utilize Substance Abuse Disorder Treatment (Item 312 G)	\$0	\$0	\$13,497	\$25,067
Fund Doula Services for Pregnant Moms (Item 313 WWWW)	\$0	\$0	\$1,168,371	\$1,243,031

Doula Benefit

Reimbursements for up to 8 visits, attendance at birth, and up to 2 linkage-to-care payments

- \$859 - \$959 reimbursement for up to 8 visits and attendance at birth (\$859 if all visits conducted) :
 - Initial visit (90 minutes): \$89.92
 - Subsequent visit (60 minutes): \$59.92
- Attendance at birth: \$350
- Linkage to care incentive payment – mother postpartum visit: \$50
- Linkage to care incentive payment – newborn visit: \$50



Governor's Introduced Budget

Better Access to Coverage and Services



	FY2021		FY2022	
	GF	NGF	GF	NGF
Expand Addiction Treatment Beyond Opioids (Item 313 PPPPP)	\$0	\$0	\$881,306	\$1,296,254
Affirm Medicaid Coverage of Gender Dysphoria Related Services (Item 313 ZZZZZ)	\$0	\$0	\$0	\$0
Fund Durable Medical Equipment (DME) Federal Mandate (Item 313 QQQQQ)	\$68,014	\$76,146	\$272,050	\$304,585
Authorize Post-Public Health Emergency Telehealth (Item 313 VVVVV)	\$0	\$0	\$0	\$0

Governor's Introduced Budget

Better Access to Coverage and Services



	FY2021		FY2022	
	GF	NGF	GF	NGF
Move funds to cover the cost of implementing a live-in caretaker exemption (Item 313 HHH)	\$0	\$0	\$0	\$0
Authorize 12-month prescriptions of contraceptives for Medicaid Members (Item 313 YYYYY)	\$0	\$0	\$136,533	\$1,380,694
Fund COVID-19 Vaccine Coverage for Non-Expansion Medicaid Adults (Item 313 XXXXX)	\$0	\$0	\$995,742	\$995,742
Allow Pharmacy Immunizations for Covered Services (Item 313 UUUUU)	\$0	\$0	\$0	\$0

Governor's Introduced Budget

Administrative and Technical Changes



	FY2021		FY2022	
	GF	NGF	GF	NGF
Implement Federal Client Appeals Requirements (Item 317 GG 1)	\$34,135	\$34,135	\$598,763	\$823,476
Federally Mandated MCO Contract Changes (Item 313 E)	\$0	\$0	\$2,196,012	\$4,804,988
Increase Appropriation for Civil Monetary Penalty (CMP) Funds (Item 317 R1.,2. & 7)	\$0	\$225,000	\$0	\$225,000
Provide support for federal interoperability and patient access requirements (Item 313 SSSSS)	\$0	\$0	\$1,739,306	\$3,805,694

Governor's Introduced Budget

Administrative and Technical Changes



	FY2021		FY2022	
	GF	NGF	GF	NGF
Account for third quarter of enhanced federal Medicaid match in facility budget (Item 313 A.)	-\$808,764	\$1,617,528	\$0	\$0
Authorize the transfer of funds between CCCA and DMAS to account for cost shifts (Item 313 A. 2.)	\$0	\$0	\$0	\$0
Make required adjustments to the graduate medical residency program (Item 313 BBB. 1.)	\$0	\$0	\$0	\$0
Increase Medicaid reimbursements for Veteran Care Centers (Item 313 RRRRR.)	\$0	\$0	\$0	\$0

Governor's Introduced Budget

Administrative and Technical Changes



	FY2021		FY2022	
	GF	NGF	GF	NGF
Move Reductions to Agency Budget (Various Items)	-\$63,443,772	-\$1,522,168	-\$28,302,522	-\$1,167,598
Transfer funds to cover Medicaid related system modifications	-\$300,000	-\$2,700,000	-\$300,000	-\$2,700,000
Transfer assisted living screening funds to DSS (DARS Item 344 F)	-\$641,050	\$0	-\$641,050	\$0
Add DBHDS licenses to ASAM Level 4.0 (Item 313 TTTTT.)	\$0	\$0	\$0	\$0